

The Citizens' Utility Ratepayer Board has been provided a non-confidential version of the report.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of this pleading was mailed on this 15th day of February 2017
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Roger W. Steiner

La Cygne Environmental Project – Monthly Status Report
February 2017

In the Matter of)
Kansas City Power & Light Company's)
Compliance Filings as Required by) Docket No. 12-KCPE-258-CPL
Commission Order in)
Docket No. 11-KCPE-581-PRE)

Monthly Report on the Progress of
the La Cygne Environmental Project
Submitted by Kansas City Power & Light Company
February 2017

“** [REDACTED] **” *Designates Confidential Information.*

*Certain Attachments To This Report Designated
“Confidential” Also Contain Confidential Information.
All Such Information Should Be Treated Confidentially.*

La Cygne Environmental Project – Monthly Status Report
February 2017

Report Date:	February 15, 2017
Progress and Actual Cost Date:	December 31, 2016
Schedule and Metric Data Date:	January 22, 2017

Introduction

In compliance with the requirements of the Kansas Corporation Commission (“Commission” or “KCC”) Orders in Docket No. 11-KCPE-581-PRE (“581 Docket”) dated August 19, 2011 (“August 19 Order”) and October 5, 2011 (“October 5 Order”), Kansas City Power & Light Company (“KCP&L”) submits this monthly report (the “February 2017 Report” or “Report”), regarding progress on the La Cygne Environmental Project. This Report is being submitted in Compliance Docket No. 12-KCPE-258-CPL (“258 Docket”) as ordered by the Commission.

This Report covers progress and actual cost data on the La Cygne Environmental Project through December 31, 2016 (with cost tracking through January 25, 2017), and schedule and metric data through January 22, 2017. It contains the following sections:

- 1.0 Project Progress Summary
 - 1.1 Safety
 - 1.2 Overall Project Status
 - 1.3 Construction
 - 1.4 Decommissioning and Demolition
- 2.0 Project Schedule Summary
 - 2.1 Critical Path Summary
 - 2.1.1 La Cygne Environmental Partners (“LEP”)
 - 2.1.2 International Chimney Corporation (“ICC”)
 - 2.1.3 Brandenburg Industrial Service Company (“Brandenburg”)
 - 2.1.4 Enerfab
 - 2.1.5 Kissick Construction (“Kissick”)
 - 2.1.6 Electrical Corporation of America (“ECA”)
 - 2.2 Schedule Status Update
- 3.0 Earned Value Metrics
- 4.0 Monthly Cost Report
 - 4.1 Contingency Log
 - 4.2 Budget Transfers
- 5.0 Risks

It also includes the following Confidential schedules and tables:

Attachment A	Level 1 Integrated Schedule as of January 22, 2017
Attachment B	Level 1 K Cost Report Actuals through December 31, 2016
Attachment C	Level 2 K Cost Report Actuals through December 31, 2016
Attachment D	Contingency Log
Attachment E	Internal Budget Transfer Summary
Attachment F	Project Earned Value Report as of January 22, 2017

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1.0 Project Progress Summary

1.1 Safety

There were no recordable incidents during the month of December 2016. The table below shows total recordable incidents and OSHA incident rate (“OIR”) information for each contractor.¹ Each contractor continues to emphasize their and KCP&L’s commitment to safety.

Contractor	Scope of Work	OIR ¹	Recordable (PTD)
LEP	Air Quality Control System ("AQCS")	0.22	5
ECA	Pre-Demolition Work	0.00	0
ICC	Chimney Demolition	0.00	0
Brandenburg	Balance of Plant ("BOP") Demolition	4.25	2

1.2 Overall Project Status

- The Project remains on or below budget.
- LEP achieved Final Completion on both Unit 1 and Unit 2 as well as on common plant on December 22, 2016.
- ECA completed all work associated with its Pre-Demolition project contract and achieved Final Completion as of December 21, 2016.
- For the Chimney Demolition project, ICC began installation of the permanent roof panels for the Unit 2 power distribution center (“PDC”) canopy.
- For the BOP Demolition project, Brandenburg completed all work associated with its contract and achieved Final Completion on December 17, 2016.
- For the Gypsum Improvements project, Enerfab continued installation of conveyor and transfer tower insulated wall panels, completed wind wall panel installation, installed all electrical and heating, ventilation, and air conditioning (“HVAC”) equipment, and heat tracing.
- For the Site Finishing project, Kissick completed the erection of the parking lot canopy structure and opened it for KCP&L use.

¹ OSHA incident rate is calculated as $R / (TH / 200,000)$ where R = number of recordable incidents Project-to-date (“PTD”), and TH = Total earned man-hours on-site PTD.

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1.3 Construction

LEP construction has completed all non-critical and punch list work required to achieve Final Completion. KCP&L has completed all major punchlist items.²

ECA completed all courtyard area lighting and power relocation in the outlet duct support area, and has completed all work required to achieve Final Completion on the Pre-Demolition project.

Enerfab completed wind wall erection and pipe insulation and heat tracing for the dust control spray piping.

Kissick completed the canopy structure and opened the parking lot for use.

1.4 Decommissioning and Demolition

Decommissioning and demolition field work during December 2016:

- ICC continued installation of the roof panels for the Unit 2 PDC building canopy.
- Brandenburg completed all work and punch list items associated with the BOP Demolition contract and required to achieve Final Completion.

2.0 Project Schedule Summary

2.1 Critical Path Summary

The Level 1 Integrated Schedule, which details the major milestone activities for all remaining LEP work as well as decommissioning and demolition scopes (Pre-demolition, Chimney Demolition, BOP Demolition, Gypsum Improvements and Site Finishing), is included with this Report as Confidential Attachment A. The Schedule is essentially complete and will not include further updates as of January 22, 2017.

2.1.1 LEP

Final Completion of LEP's engineer, procure, and construct ("EPC") project on Unit 1, Unit 2, and Common plant was achieved December 22, 2016.

² In accordance with a negotiated settlement with LEP, KCP&L assumed responsibility to perform certain minor punch list items. KCP&L utilized a variety of contractors including, ECA, Enerfab, and Kissick, among others, to perform this work. As necessary, B&V provided engineering design support to define scope and work packages for issuance to and execution by the contractors for these items.

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2.1.2 ICC

Final Completion was achieved January 17, 2017 for the Chimney Demolition project.

2.1.3 Brandenburg

Final Completion was achieved December 17, 2016 for the BOP Demolition.

2.1.4 Enerfab

The Gypsum Improvements project critical path runs through: finishing punch list items in order to accomplish final completion. The project is tracking behind schedule with an overall project float of negative eighty-six (-86) days.

2.1.5 Kissick Construction

The Site Finishing project critical path runs through finishing punch list items in order to accomplish final completion. The project is tracking behind schedule with an overall project float of negative ninety-nine (-99) days.

2.1.6 ECA

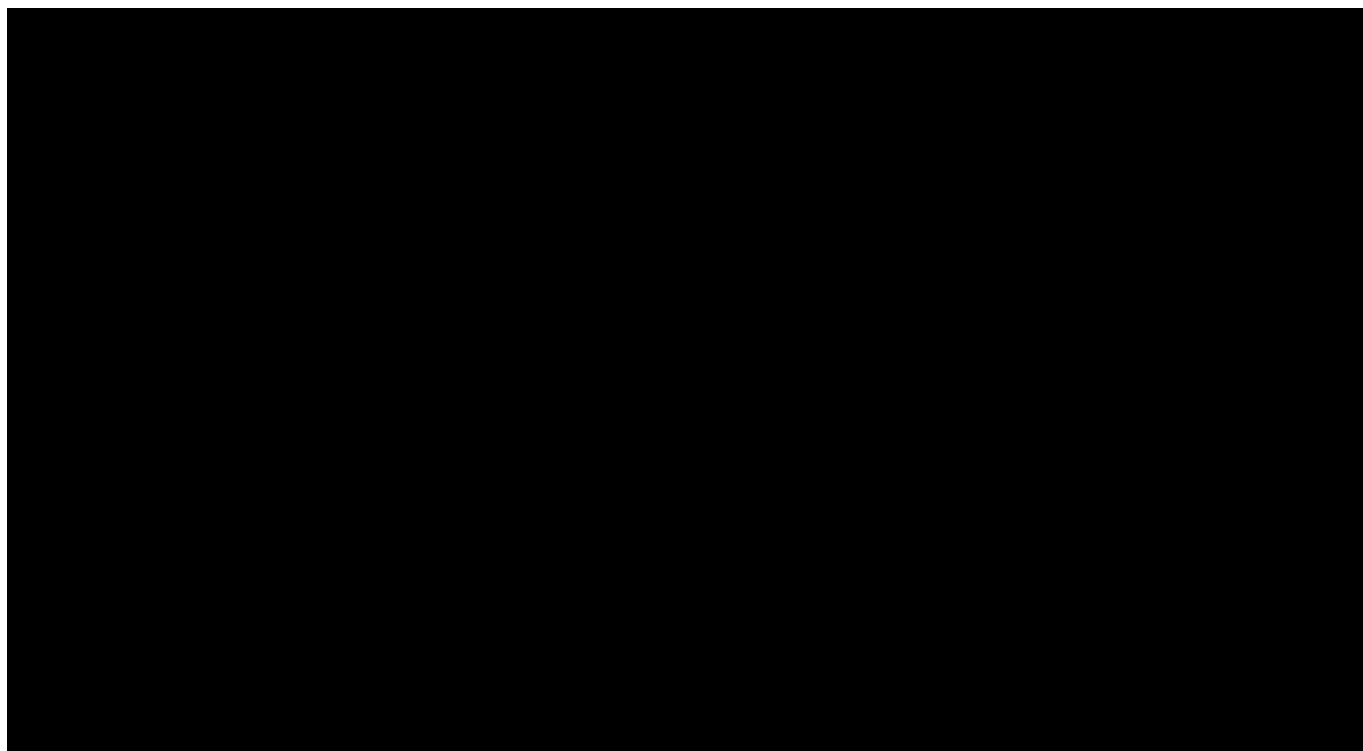
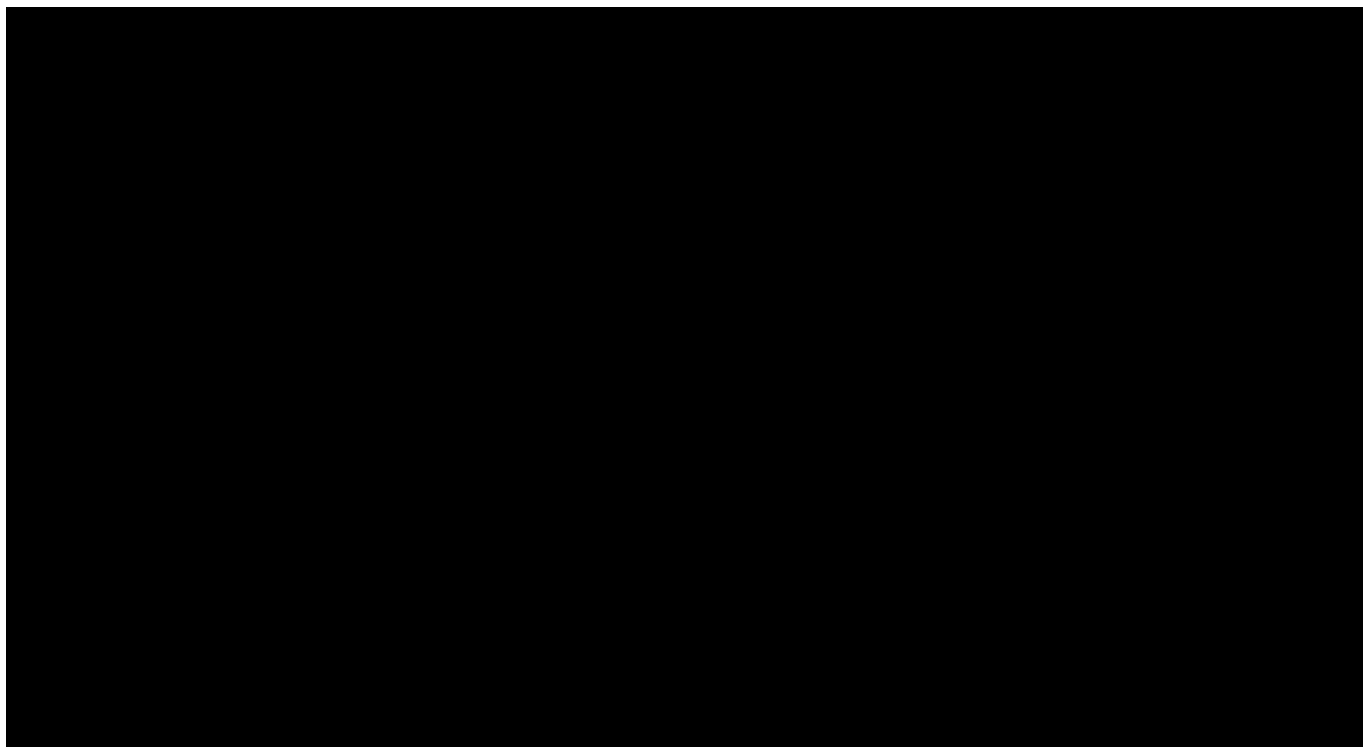
Final Completion was achieved December 21, 2016 for the Pre-Demolition.

2.2 Schedule Status Update

The key Project milestones are listed in the charts below and will remain constant in each report.

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3.0 Earned Value Metrics

Confidential Attachment F shows the Schedule Performance Index (“SPI”) metrics as of January 22, 2016 for the decommissioning and demolition contracts. Earn Value metrics are complete as of January 22, 2017.

The ICC Chimney Demolition project is complete.

The SPI for the Gypsum Improvements project is **■■■■** and is considered complete with only minor punchlist items remaining. Punchlist items have no man-hours included in the project schedule, and therefore have no impact on SPI.

The Site Finishing project is not being tracked by earned value. Due to the Scope of Work being performed and duration of the project, KCP&L is using schedule variance to track progress

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related to baseline and plan. See Section 2.1.5 for variance related to project total float and Section 2.2 table labeled *Kissick Construction – Site Finishing* for variance related to milestones.

4.0 Monthly Cost Report

Confidential Attachment B to this Report is the Level 1 Monthly K Cost Report (“K Work Package Summary Report”). The attached K Work Package Summary Report contains actual costs through December 31, 2016, while commitments and corresponding contingency/internal budget transfer transactions are through January 25, 2017. Actual costs incurred through December 31, 2016 are approximately **[REDACTED]**, or approximately **[REDACTED]** of the budget estimate of \$1.23 billion.³ Committed costs totaled approximately **[REDACTED]** or approximately **[REDACTED]** of the budget estimate.

Confidential Attachment C is the Level 2 Monthly K Cost Report (“K Work Package Detail Report”). This is structured similarly to the Level 1 K Work Package Summary Report, but contains more detail.

4.1 Contingency Log

Confidential Attachment D is the Contingency Log for the period of December 22, 2016 through January 25, 2017 and details a total of nine contingency transaction items that occurred within the reporting period. The nine contingency transaction items discussed below resulted in a cumulative net credit of approximately **[REDACTED]**. The contingency balance at January 25, 2016 is approximately **[REDACTED]**.

December 22, 2016 through December 31, 2016 Contingency Transactions

There were no contingency transactions that transpired during this reporting period.

January 1, 2017 through January 25, 2017 Contingency Transactions

The nine transactions labeled as items 398 through 406, occurred from January 1, 2017 through January 25, 2017. The net effect of these transactions was a net credit of approximately **[REDACTED]**.

- Contingency items 398 through 406, valued cumulatively at approximately **[REDACTED]**, are credits derived from the closure of thirteen purchase orders during the closeout process.

³ All dollars rounded to nearest million. Further detail is provided in Confidential Attachments B and C.

⁴ In addition to this contingency balance, the expected Project cost was previously reduced by \$75 million. Such reduction does not affect the Commission-approved Project Budget Estimate of \$1.23 billion.

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4.2 Budget Transfers

Confidential Attachment E is the Consolidated Internal Budget Transfer Summary for the period ended January 25, 2017. There were **[REDACTED]** in transfers (items labeled 451-454).

- There were **[REDACTED]** in transfers (items labeled 451-454) used to realign expenditures with budget on the major mechanical punch list purchase order.

5.0 Risks

KCP&L will identify and track potential or known risks throughout the life of the La Cygne Environmental Project.

- *Contractor Performance/Management/Relationship* – As the Project moves toward completion, KCP&L's focus is on Project completion and closeout. Because multiple contractors are performing work, the Project is multi-prime and KCP&L has coordination responsibilities. As a result, KCP&L will attempt to maintain a productive working relationship with all contractors to identify, mitigate, and resolve any delays and contested issues in a timely manner. Timely resolution to any disputed issues will mitigate the risk of delay to project closeout.

KCP&L will closely monitor this risk and others as they arise, and will develop mitigation strategies to minimize the effect, if any, on both cost and schedule of the La Cygne Environmental Project.

EXHIBIT A
ATTACHMENTS A-F

**THESE DOCUMENTS CONTAIN
CONFIDENTIAL INFORMATION NOT
AVAILABLE TO THE PUBLIC
ORIGINALS FILED UNDER SEAL**

Kansas City Power & Light Company

Docket No.: 12-KCPE-258-CPL

Date: February 15, 2017

CONFIDENTIAL INFORMATION

The following information is provided to the Kansas Corporation Commission under
CONFIDENTIAL SEAL:

Monthly Report on the Progress of the La Cygne Environmental Project – Exhibit A	
Page	Reason for Confidentiality from List Below
P. 6, Section 2.2, Table (Key Milestones Table - LEP)	2, 5
P. 6-7, Section 2.2, Tables (Key Milestones Table - Demo)	2, 5
P. 7, Section 3.0, ¶ 3, L. 1	1, 5
P. 8, Section 4.0, ¶ 1, L. 5	1, 5
P. 8, Section 4.0, ¶ 1, L. 5	1, 5
P. 8, Section 4.0, ¶ 1, L. 6	1, 5
P. 8, Section 4.0, ¶ 1, L. 7	1, 5
P. 8, Section 4.1, ¶ 1, L. 4	1, 5
P. 8, Section 4.1, ¶ 1, L. 5	1, 5
P. 8, Section 4.1, ¶ 3, L. 3	1, 5
P. 8, Section 4.1, ¶ 4, L. 1	1, 5
P. 9, Section 4.2, ¶ 1, L. 2	1, 5
P. 9, Section 4.2, ¶ 2, L. 1	1, 5
Attachment A	2, 5
Attachment B	1, 5 - CONFIDENTIAL-RESTRICTED
Attachment C	1, 5 - CONFIDENTIAL-RESTRICTED
Attachment D	1, 5 - CONFIDENTIAL-RESTRICTED
Attachment E	1, 5 - CONFIDENTIAL-RESTRICTED
Attachment F	1, 5 - CONFIDENTIAL-RESTRICTED

Rationale for the “confidential” designation is documented below:

- “1” Confidential financial information/ budget projections.
- “2” Contract terms or specifics, or contract information that could be used by existing or future vendors to the disadvantage of KCP&L.
- “3” Sensitive information that could impact pending or threatened litigation.
- “4” Advice of counsel or other paid experts, advisors or consultants.

“5” Trade Secret or Commercially Sensitive.

“6” Other (specify) _____.

Should any party challenge KCP&L’s assertion of confidentiality with respect to the above information, KCP&L reserves the right to supplement the rationale contained herein with additional factual or legal information.